

§ 203.17 Collector depositaries.

(a) *Debit to reserve account.* On the business day that the TSC receives an AOC from a collector depositary, the TSC will debit the depositary's reserve account for the amount reported on the AOC and credit that amount to Treasury's account.

(b) *Late delivery of AOC.* If an AOC does not arrive at the TSC before the designated cutoff time on the first business day after the AOC date, an FTD late fee in the form of interest at the TT&L rate of interest will be assessed for each day's delay in receipt of the AOC. Upon the direction of Treasury, the TSC will debit the depositary's reserve account for the amount of the late fee.

Subpart D—Investment Program and Collateral Security Requirements for TT&L Depositaries

§ 203.18 Scope of the subpart.

This subpart governs the operation of the investment program, including the rules that TT&L depositaries must follow in crediting and debiting TIP main account balances, SDI account balances, and TIO account balances, and pledging collateral security.

§ 203.19 Sources of balances.

A financial institution must be a collector depositary that accepts term investments, an investor depositary, or a retainer depositary to participate in the investment program. Depositaries electing to participate in the investment program can receive Treasury's investments in obligations of the depositary from the following sources:

(a) FTDs that have been credited to the depositary's TIP main account balance pursuant to subpart C of this part;

(b) EFTPS ACH credit and debit transactions, Fedwire® non-value transactions, and Fedwire® value transfers pursuant to subpart B of this part;

(c) Direct investments, SDIs, dynamic investments, and term investments pursuant to subpart D of this part; and

(d) Other excess Treasury operating funds.

§ 203.20 Investment account requirements.

(a) *Additions.* Treasury will invest funds in obligations of collector depositaries that accept term investments, investor depositaries, or retainer depositaries. Such obligations will be in the form of open-ended interest-bearing notes, or in the case of term investments, interest-bearing notes maintained for a predetermined period of time, and additions and reductions will be reflected on the books of the TSC.

(1) *PATAX.* The TSC will credit the TIP main account balance as stated in § 203.16(a) for an investor or retainer depositary processing tax deposits through PATAX.

(2) *EFTPS.*

(i) *ACH debit and ACH credit.* The TSC will credit a depositary's TIP main account balance, and credit the depositary's reserve account if capacity exists, for the amount of EFTPS ACH debit and credit entries on the day such entries settle.

(ii) *Fedwire^{reg}: value and non-value transactions.* The TSC will credit a depositary's TIP main account balance if capacity exists, throughout the day on the day of settlement, for the amount of Fedwire^{reg}: value and non-value transactions. In the case of Fedwire® value transactions, the depositary's reserve account will also be credited.

(b) *Additional offerings.* Other funds from Treasury may be offered from time to time to depositaries participating in the investment program through direct investments, SDIs, term investments, or other investment programs.

(c) *Withdrawals.* The amount of a TIP main account balance or SDI account balance is payable on demand without prior notice. The TSC will make calls for payment at the direction of the Secretary. On behalf of Treasury, the TSC will debit the depositary's reserve account on the day specified in the call for payment.

(d) *Interest.* The TIP main account balance and the SDI account balance bear interest at the TT&L rate of interest. Such interest is payable by a charge to the depositary's reserve account in the manner prescribed in the procedural instructions.